

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11 Case No.
 :
LEHMAN BROTHERS HOLDINGS INC., *et al.*, : 08-13555 (JMP)
 :
Debtors. : (Jointly Administered)
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 :
 :
 :
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**EIGHTH¹ INTERIM FEE APPLICATION OF ERNST & YOUNG LLP
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED
AND FOR REIMBURSEMENT OF EXPENSES AS AUDITORS AND TAX SERVICES
PROVIDERS TO THE DEBTORS AND DEBTORS-IN-POSSESSION
FOR THE PERIOD FROM FEBRUARY 1, 2011 THROUGH MAY 31, 2011**

Name of Applicant: Ernst & Young LLP

Authorized to Provide Professional Services to: the above-captioned debtors and debtors-in-
possession

Date of Retention: January 15, 2009, nunc pro tunc to
September 15, 2008

Period for which compensation
and reimbursement are sought: February 1, 2011 through May 31, 2011

Amount of Compensation sought as actual,
reasonable, and necessary: \$3,875.00

Amount of Expense Reimbursement sought
as actual, reasonable, and necessary: \$0.00

This is a(n): ___ monthly X interim ___ final application

¹ Ernst & Young LLP incurred no fees during the Seventh Interim Period and therefore did not file a
Seventh Interim Fee Application.

Prior Fee Applications Filed:

Date Filed	Period Covered	Fees	Expenses
April 10, 2009	September 15, 2008 through January 31, 2009	\$552,700.00	\$0.00
July 17, 2009	February 1, 2009 through May 31, 2009	\$682,974.50	\$0.00
December 14, 2009	June 1, 2009 through September 30, 2009	\$237,643.10	\$0.00
March 16, 2010	October 1, 2009 through January 31, 2010	\$126,459.90	\$0.00
July 23, 2010	February 1, 2010 through May 31, 2010	\$25,083.50	\$0.00
November 1, 2010	June 1, 2010 through September 30, 2010	\$5,330.10	\$0.00

COMPENSATION BY PROFESSIONAL
FEBRUARY 1, 2011 THROUGH MAY 31, 2011

Last Name	First Name	Title	Fees	Total Hours Billed	Hourly Billing Rate
Lambert	Karen	Executive Director	1,470.00	2.0	\$ 735
Getty	Christopher Edward	Partner	1,580.00	2.0	\$ 790
Garlock	David C.	Partner	825.00	1.0	\$ 825
		Total	\$3,875.00	5.0	

Compensation **\$3,875.00**

Total Hours **5.0**

Blended Rate **\$775.00**

Dated: August 10, 2011



COMPENSATION BY PROJECT CATEGORY
FEBRUARY 1, 2011 THROUGH MAY 31, 2011

Project Category	Total Hours	Total Fees
Audit and Audit Related	0.0	\$0.00
Tax Services	5.0	\$3,875.00
Fee / Employment Applications	0.0	\$0.00
TOTAL	5.0	\$3,875.00

EXPENSE SUMMARY
FEBRUARY 1, 2011 THROUGH MAY 31, 2011

Expense Category	Service Provider (if applicable)	Total Expenses
Transportation	N/A	\$0.00
Meals	N/A	\$0.00
Lodging	N/A	\$0.00
TOTAL		\$0.00

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FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED
AND FOR REIMBURSEMENT OF EXPENSES AS AUDITORS AND TAX SERVICES
PROVIDERS TO THE DEBTORS AND DEBTORS-IN-POSSESSION
FOR THE PERIOD FROM FEBRUARY 1, 2011 THROUGH MAY 31, 2011**

Pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the *Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals* [Docket No. 1388] (the “Compensation Order”), Ernst & Young LLP (“E&Y”) hereby files this Eighth Interim Fee Application for Allowance of Compensation for Services Rendered and for Reimbursement of Expenses as Counsel to the Debtors and Debtors-in-Possession for the Period from February 1, 2011 through May 31, 2011 (the “Application”). By this Application, E&Y seeks interim allowance pursuant to the Compensation Order with respect to the sums of \$3,875.00 as compensation and \$0.00 for reimbursement of actual and necessary expenses for a total of \$3,875.00 for the period February 1, 2011 through and including May 31, 2011 (the “Compensation Period”). In support of this Application, E&Y respectfully represents as follows:

Background

1. On September 15, 2008 (the “Petition Date”), the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

2. E&Y was retained effective as of the Petition Date by this Court’s Order dated January 15, 2009, *nunc pro tunc* to the Petition Date (the “Retention Order”). The Retention Order authorized E&Y to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses.

Compensation Paid and Its Source

3. All services for which compensation is requested by E&Y were performed for or on behalf of the Debtors.

4. E&Y has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between E&Y and any other person other than the directors of E&Y for the sharing of compensation to be received for services rendered in these cases.

Fee Application

5. The daily time detail for the E&Y professionals that provided services during the Compensation Period is attached hereto as Exhibit A. To the best of E&Y’s knowledge, this Application complies with sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Guidelines adopted by the Office of the United States Trustee, Bankr. S.D.N.Y. L.R. 2016-1, Administrative Order M-151 of the Southern District of New York and the Compensation Order.

Actual and Necessary Expenses

6. E&Y incurred no reimbursable expenses during the Compensation Period.

Summary of Services Rendered

7. E&Y, by and through its professionals, has performed all necessary professional services which are described and narrated in detail hereinafter.

Summary of Services By Project

8. The services rendered by E&Y during the Compensation Period can be grouped into the categories set forth below. These categories are generally described below, with a more detailed identification of the actual services provided set forth on the attached Exhibit A. The professionals who rendered services relating to each category are identified, along with the number of hours for each individual and the total compensation sought for each category, in Exhibit A attached hereto.

A. Tax Services

Fees: \$3,875.00; Total Hours: 5.0

This category includes all matters related to the provision of tax services to the Debtors, related to the tax implications with respect to the bankruptcy, including analysis around ownership changed under Internal Revenue Code Section 382.

Valuation of Services

9. Professionals of E&Y have expended a total of 5.0 hours in connection with this matter during the Compensation Period, as follows:

Last Name	First Name	Title	Fees	Total Hours Billed	Hourly Billing Rate
Lambert	Karen	Executive Director	1,470.00	2.0	\$ 735
Getty	Christopher Edward	Partner	1,580.00	2.0	\$ 790
Garlock	David C.	Partner	825.00	1.0	\$ 825
		Total	\$3,875.00	5.0	

The daily detailed time records of the work performed by these persons is fully set forth in Exhibit A attached hereto. The reasonable value of the services rendered by E&Y to the Debtors during the Compensation Period is \$3,875.00.

10. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by E&Y is fair and reasonable given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title.

WHEREFORE, E&Y respectfully requests that the Court authorize that for the period February 1, 2011 through May 31, 2011, an interim allowance be made to E&Y pursuant to the terms of the Compensation Order, with respect to the sum of \$3,875.00 as compensation for necessary professional services rendered, and the sum of \$0.00 as reimbursement of actual necessary costs and expenses, for a total of \$3,875.00 and that any portion of such sums that remains unpaid be authorized for payment by the Debtors, and for such other and further relief as this Court may deem just and proper.

Dated: August 10, 2011

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'William Schlich', is written over a horizontal line.

William Schlich
Ernst & Young LLP
5 Times Square
New York, New York
Tel.: (212) 773-3233

*Auditors and Tax Services Providers
for the Debtors and Debtors-in-Possession*

**UNITED STATES BANKRUPTCY COURT
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	:
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
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Debtors.	: (Jointly Administered)
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**CERTIFICATION UNDER GUIDELINES FOR FEES AND DISBURSEMENTS
FOR PROFESSIONALS IN RESPECT OF EIGHTH¹ INTERIM FEE
APPLICATION OF ERNST & YOUNG LLP FOR ALLOWANCE
OF COMPENSATION FOR SERVICES RENDERED AND FOR
REIMBURSEMENT OF EXPENSES AS AUDITORS AND TAX SERVICES
PROVIDERS TO THE DEBTORS AND DEBTORS-IN-POSSESSION FOR
THE PERIOD FROM FEBRUARY 1, 2011 THROUGH MAY 31, 2011**

I, William Schlich, hereby certify that:

1. I am a partner with the firm of Ernst & Young LLP (“E&Y LLP”), which maintains an office at 5 Times Square, New York, New York. I have personal knowledge of the facts set forth herein.

2. I submit this Certification in support of the eighth interim fee application dated August 10, 2011 (the “Application”) of E&Y LLP, seeking the entry of an order, pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) granting interim allowance of compensation for services rendered and expenses incurred as auditors and tax services providers to the above-captioned

¹ Ernst & Young LLP incurred no fees during the Seventh Interim Period and therefore did not file a Seventh Interim Fee Application.

debtors and debtors-in-possession (the “Debtors”) during the period from February 1, 2011 through and including May 31, 2011 (the “Interim Period”), and directing payment of fees and expenses that were not paid or which were previously subject to a holdback.

3. I have read the Application and, to the best of my knowledge, information and belief, formed after reasonable inquiry (a) I have read the Application, (b) to the best of my knowledge, information and belief after reasonable inquiry, the Application complies with the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. section 330 (the “Guidelines”), (c) to the best of my knowledge, information and belief after reasonable inquiry, the fees and expenses sought fall within the Guidelines, except as noted otherwise, (d) except to the extent that fees or disbursements are prohibited by the Guidelines, the fees and disbursements sought are billed at rates and in accordance with practices customarily employed by E&Y LLP and generally accepted by E&Y LLP’s clients, (e) in seeking reimbursement of an expenses, E&Y LLP does not make a profit on that expenditure, whether it is performed by E&Y LLP in-house or through a third party, (f) E&Y LLP has provided the US Trustee, the Debtors, the Creditors’ Committee and the fee committee with Monthly Fee Statements for such fees and (g) E&Y LLP has not provided the US Trustee, the Debtors, the fee committee and the Creditors’ Committee with a copy of the Application at least ten days before the filing deadline for such Application, but E&Y LLP will provide a copy of the Application to such parties at least twenty (20) days before the date set by this Court for a hearing on the Application.

4. There is no agreement or understanding between E&Y LLP and any other person, other than the members of E&Y LLP, for the sharing of compensation to be received for services rendered or to be rendered in the Chapter 11 Cases.

WHEREFORE, I declare that the above is true and correct to the best of my knowledge.

Dated: August 10, 2011



William Schlich

EXHIBIT A

Lehman Brothers Holdings Inc. & Debtors
Billing Detail
February 1, 2011 - May 31, 2011

Last Name	First Name	Title	Date of Service	Note	Time	Hourly Rate	Total Individual Fees
<u>A1 - Audit and Audit Related</u>							
A1- Audit and Audit Related Total					-		\$ -
<u>A2 - Tax Services</u>							
<u>Lehman ITS and CFC Planning</u>							
Lehman ITS and CFC Planning Total					-		-
<u>Post-Bkrpt Tax Adv</u>							
Garlock	David C.	Partner	4/28/2011	Conference call with Bruce Brier and Darryl Steinberg re payment ordering rule, withholding tax issues.	1.00	\$ 825	\$ 825
Post-Bkrp Tax Adv Total					1.00		825.00
<u>Project Lehman 382 Study</u>							
Lambert	Karen	Executive Director	5/10/2011	Meeting at Lehman re next phase of 382	2.00	\$ 735	\$ 1,470
Getty	Christopher Edward	Partner	5/10/2011	Meeting at Lehman Offices regarding 382	2.00	\$ 790	\$ 1,580
Project Lehman 382 Study Total					4.00		\$ 3,050.00
<u>SALT Post-Bkrpt Adv</u>							
SALT Post-Bkrpt Adv Total					-		\$ -
A2- Tax Services Total					\$ 5.00		\$ 3,875.00

A3 - Administration Services

A3- Administration ServicesTotal

-

-

Total

5.00

\$

3,875.00